



County of Los Angeles CHIEF EXECUTIVE OFFICE

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WILLIAM T FUJIOKA
Chief Executive Officer

July 30, 2010

To: Supervisor Gloria Molina, Chair
Supervisor Mark Ridley-Thomas
Supervisor Zev Yaroslavsky
Supervisor Don Knabe
Supervisor Michael D. Antonovich

From: William T Fujioka
Chief Executive Officer

A handwritten signature in black ink, appearing to read "W. T. Fujioka", is written over the printed name and title.

Board of Supervisors
GLORIA MOLINA
First District

MARK RIDLEY-THOMAS
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

BOND ASSISTANCE PROGRAM: STATUS UPDATE (ITEM NO. 3, AGENDA OF FEBRUARY 23, 2010)

On February 23, 2010, your Board directed my office, in coordination with the Treasurer and Tax Collector (TTC), Internal Services Department (ISD), Department of Public Works (Public Works), and Community Development Commission (CDC) to report back, on a bi-monthly basis, on the feasibility of establishing a Bond Assistance Program (BAP) that would provide County-supported Bond Guarantees and support securing a line of credit to local small, minority and woman-owned contractors.

We have engaged in discussions with several agencies, including the Los Angeles Unified School District (LAUSD), Los Angeles Community College District (LACCD), and Small Business Administration to gain insight about the structure of, and experiences they have had with, their BAP. Based upon these discussions, it is apparent that securing bonding is only one barrier to participation for this contractor community. The larger issue revolved around an overall lack of knowledge regarding public contracting requirements and basic small-business practices.

To successfully enhance the participation of the small, minority, and woman-owned contractor community in the County's capital construction program, it is becoming clear that a more holistic, education-based approach must accompany any bond or credit guarantees. Such an educational component that would provide the targeted contracting community with tools for navigating the public contracting process, including public contract law, labor compliance, safety, basics of bonding, and prequalification, is essential to their ultimate success. LAUSD accomplishes this through its Small Business Boot Camp.

"To Enrich Lives Through Effective And Caring Service"

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Each Supervisor
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Public Works is studying the LAUSD model to determine if the County can emulate such a program, or partner with LAUSD to provide the aforementioned educational component. We will also be meeting with the City of Los Angeles in the coming weeks to gain further insight on implementation of a successful BAP and other financial programs that can assist local small, minority and woman-owned contractors. We will provide an update on our progress in our next bi-monthly report.

Should you have any questions regarding this matter, your staff may contact Sabra White at (213) 974-1140.

WTF:BC:SK
DJT:SW:zu

Attachments

c: Executive Office, Board of Supervisors
 County Counsel
 Auditor-Controller
 Department of Public Works